

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF RIDGEWOOD)
SUBDIVISION SEWER PLANT FOR A RATE)
ADJUSTMENT PURSUANT TO THE) CASE NO. 2001-00482
ALTERNATIVE RATE FILING PROCEDURE)
FOR SMALL UTILITIES)

ORDER

On December 21, 2001, Ridgewood Subdivision Sewer Plant (Ridgewood) submitted its application seeking to increase its rates pursuant to Administrative Regulation 807 KAR 5:076. However, it was not considered filed until June 17, 2002, the date the deficiencies in the application were cured. Ridgewood proposed to increase its residential flat sewer rate from \$18.45 to \$29.57, approximately 60.3 percent. The proposed residential flat sewer rate will generate annual operating revenues of \$34,770, \$13,074 above the Commission Staff s (Staff) normalized test period operating revenues of \$21,696.

The sole intervenor in this proceeding is the Attorney General s Office of Rate Intervention (Attorney General). On August 29, 2002, the Commission released a Report in which Staff recommended acceptance of Ridgewood s requested sewer rate. All parties were directed to file any written comments upon Staff s findings and recommendations or to request a conference or hearing no later than September 9, 2002. As of this date, the Commission has received no such comments or requests.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that:

1. The recommendations and findings contained in the Staff Report are supported by the evidence of record and are reasonable.

2. The residential flat sewer rate proposed by Ridgewood and contained in Appendix A will produce Staff's recommended revenue requirement of \$34,770.

IT IS THEREFORE ORDERED that:

1. The recommendations and findings contained in the Staff Report are adopted and incorporated by reference into this Order as if fully set out herein.

2. The rate proposed by Ridgewood and contained in Appendix A is approved for service rendered by Ridgewood on and after the date of this Order.

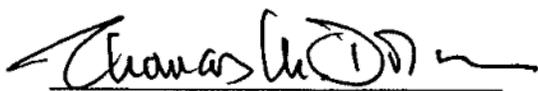
3. Within 30 days of the date of this Order, Ridgewood shall file with the Commission its revised tariff setting out the rate approved herein.

4. Three years from the date of this Order, Ridgewood shall file an income statement, along with any pro forma adjustments, in sufficient detail to demonstrate that the rate approved herein is sufficient to meet its operating expenses and annual debt service requirements.

Done at Frankfort, Kentucky, this 18th day of September, 2002.

By the Commission

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2001-00482 DATED September 18, 2002

The following rate is prescribed for the customers in the area served by the Ridgewood Subdivision Sewer Plant. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

MONTHLY RATE

Residential Flat Rate	\$ 29.57
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